STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

October 27, 2006

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Oahu

Forfeiture of General Lease No. S-4890, Millicent U. Crawford, Lessee, Maunalaha Homesites, Opu, Makiki, Oahu, Tax Map Key: (1) 2-5-24:07.

PURPOSE:

Forfeiture of General Lease No. S-4890, Millicent U. Crawford, Lessee.

LEGAL REFERENCE:

Section 171-39, Hawaii Revised Statutes, as amended.

LOCATION AND AREA:

Portion of Government lands of Makiki & Tantalus situated at Maunalaha Homesites, Opu, Makiki, Oahu, identified by tax map key: (1) 2-5-24:07, consisting of approximately 0.35 acre, as shown on the attached map labeled Exhibit A.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ____ NO \underline{x}

CHARACTER OF USE:

Residential purposes.

TERM OF LEASE:

 $65\ \text{years},$ commencing on December 1, 1983 and expiring on November 30, 2048.

ANNUAL RENTAL:

\$120.00 in semi-annual payments.

REMARKS:

Pursuant to the authority granted the Chairperson by the Board of Land and Natural Resources at its meeting of January 11, 1980 and the breach provision contained in General Lease S-4890, Millicent U. Crawford, Lessee, was served a Notice of Default by certified mail dated June 30, 2006 for:

x Failure to keep lease rental payments current

Said notice, accepted by Millicent U. Crawford on July 5, 2006, offered the Lessee a sixty-day cure period to correct the default. This cure period expired on September 5, 2006. As of October 13, 2006, this breach has not been cured.

A second Notice of Default was served by certified mail dated July 26, 2006 for:

x Failure to post required liability insurance policy

Said notice, accepted by Millicent U. Crawford on July 31, 2006, offered the Lessee a sixty-day cure period to correct the default. This cure period expired on October 1, 2006. As of October 13, 2006, this breach has not been cured. Staff attempted to contact Ms. Crawford and the Maunalaha Association representatives to follow up but has been unsuccessful. According to Atlas Insurance, Ms. Crawford cancelled her policy June 23, 2006.

The status of the lease compliance items is as follows:

RENT: The Lessee is over 90 days delinquent with the rent, which was due June 1, 2006.

INSURANCE: The Lessee has not posted the current liability insurance policy. Policy was cancelled June 23, 2006.

PERFORMANCE BOND: Not required.

CONSERVATION PLAN: Not required.

During the past two (2) years, no other Notice of Default letters were sent.

RECOMMENDATION: That the Board:

- 1. Authorize the cancellation of General Lease No. S-4890 in the manner specified by law;
- Authorize the retention of all sums heretofore paid or pledged under General Lease No. S-4890 to be applied to any past due amounts;

- 3. Terminate the lease and all rights of Lessee and all obligations of the Lessor effective as of October 27, 2006, provided that any and all obligations of the Lessee which have accrued up to said effective date or which are stated in the lease to survive termination shall endure past such termination date until duly fulfilled, and further provided that Lessor reserves all other rights and claims allowed by law.
- 4. Authorize the Department of the Attorney General, the Department of Land and Natural Resources, or their agents to collect all monies due the State of Hawaii under General Lease No. S-4890 and to pursue all other rights and remedies as appropriate.

Respectfully Submitted,

Al Jodar

Land Agent

APPROVED FOR SUBMITTAL:

Peter I. Young, Chairperson

